

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

IN THE MATTER OF THE ARBITRATION BETWEEN :  
:  
Merrill Lynch, Pierce, Fenner & Smith, Inc. :  
:  
Claimant : Case #88-03364  
:  
vs. : AWARD  
:  
:  
:  
Dr. Elsa M. Lopez :  
:  
Respondent :

### CASE SUMMARY

Claimant seeks a debit balance created in October 1987 in Respondent's account as the result of certain options traded on the S & P 100 Stock Index. Respondent contends Claimant failed to cover her options as instructed on Friday, October 16, 1987. Further, Claimant violated fiduciary duties to Respondent in the recommendations. Claimant denies the counterclaim allegations.

RELIEF REQUESTED

Claimant seeks \$23,947.46 plus interest from October 31, 1987. Respondent counterclaimed for the loss of her cash account and the added burden of a debit balance. Respondent seeks the value of her account less the value of her position on October 16, 1987 and the crediting of the account equal to the deficit caused by the conduct of the broker and Merrill Lynch, Pierce, Fenner & Smith, Inc. Respondent also seeks attorney fees. Claimant seeks dismissal of the counterclaim.

**AWARD**

On December 4, 1989, January 24 and March 13, 1990 in five sessions in New York City, New York the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Merrill Lynch, Pierce, Fenner & Smith, Inc. on November 1, 1988, and by Respondent Dr. Elsa M. Lopez on December 5, 1989. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. As to the claim, Claimant is awarded \$23,947.46; and as to the counterclaim Respondent is awarded \$96,500.00. Accordingly, Claimant be and hereby is liable and shall pay to Respondent \$72,552.54.

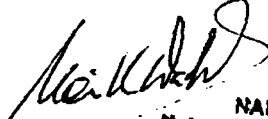
2. Claims and counterclaims for interest are denied.
3. The parties shall each bear their respective costs including attorneys' fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant, and assess an additional \$600.00 against Claimant and \$1,000.00 against Respondent.

CONCURRING ARBITRATORS

MARK A. SANK  
Notary Public, State of New York  
No. 31-4945780  
Qualified in New York County  
Commission Expires Jan. 27, 1991

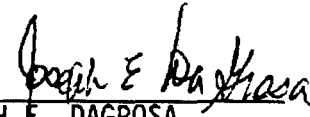
  
DIANE GETZLER

Sworn to before me  
This 25<sup>th</sup> day of APRIL 1990




  
EDMOND E. CHAPUS

NAIM K. DABORA  
Notary Public, State of New York  
No. 31-4663164  
Qualified in New York County  
Commission Expires May 31, 1990

  
JOSEPH E. DAGROSA

Sworn to before me this  
FIFTEENTH DAY 1990  
WILLIAM N. BONILLA, ESQ.  
Notary Public, State of New York  
No. 31-477900  
Qualified in New York County  
Commission Expires November 3, 1990

Dated:

  
May 3rd, 1990